Supreme Court, U.S.
FILED
NOV 27 1987
JOSEPH F. SPANIOL, JR.
CLERK

NO. 87-812

In the Supreme Court of the United States

OCTOBER TERM, 1987

NATHAN A. LEVY, JR.,

Petitioner

versus

EXXON CORPORATION,

Respondent

ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE FIFTH CIRCUIT

RESPONDENT'S BRIEF IN OPPOSITION

E. BURT HARRIS
P. O. Box 60626
New Orleans, LA 70160
Telephone: (504) 561-3274

OF COUNSEL:

MILLING, BENSON,
WOODWARD, HILLYER,
PIERSON & MILLER

H. H. HILLYER, JR.
JOHN C. CHRISTIAN,
Counsel of Record
H. H. HILLYER, III
M. TAYLOR DARDEN
Suite 2300
909 Poydras Street
New Orleans, LA 70112-1017
Telephone: (504) 569-7000

Counsel for Respondent

November 27, 1987

A B Letter S

BEST AVAILABLE COPY

QUESTION PRESENTED FOR REVIEW

Whether a Court of Appeals may, under Rule 52(a), F.R.C.P., draw a conclusion as to causation not drawn by the trial court when the facts are not in dispute and the conclusion is not at variance with any finding of the lower court?

TABLE OF CONTENTS

Page

QUESTION PRESENTED FOR REVIEW.....i

TABLE OF CONTENTS.....ii

TABLE OF AUTHORITIES.....iii

NOTATION AS TO RULE 28.1 LIST.....1, fn.1
(See List in Appendix B hereto, p. 14r)

STATEMENT OF THE CASE.....1

REASONS WHY THE WRIT SHOULD BE DENIED.....2

CONCLUSION.....8

RESPONDENT'S APPENDIX:

APPENDIX A.....1r

APPENDIX B.....14r

TABLE OF AUTHORITIES

CASES: **Page**

Anderson v. Bessemer City, 470 U.S. 564 (1985).....6,7

Bickford v. International Speedway Corp., 654 F.2d 1028, 1030 (5th Cir. 1981).....3

Brock v. El Paso Natural Gas Co., 826 F.2d 369, 372 (5th Cir. 1987).....7

Brock v. Mr. W. Fireworks, Inc., 814 F.2d 1042, 1044 (5th Cir. 1987), cert. den. ____U.S.____, 108 S.Ct. 286.....7

Delta Airlines, Inc. v. August, 450 U.S. 346, 362 (1981).....2

E.E.O.C v. Federal Labor Relations Authority, 476 U.S. ____, 106 S.Ct. 1678, 1681, 90 L.Ed.2d 19, 24 (1986).....2

Exchange Oil & Gas Corp. v. Great American Exploration Corp., 789 F.2d 1161, 1163 (5th Cir. 1986).....7

Icicle Seafoods, Inc. v. Worthington, 475 U.S. 709 (1986).....6

J. E. Riley Inv. Co. v. C.I.R., 311 U.S. 55, 59 (1940).....3

Southern Natural Gas Co. v. Pontchartrain Materials Inc., 711 F.2d 1251, 1257 (5th Cir. 1983), reh. den. 720 F.2d 1291.....3

Stipelcovich v. Sand Dollar Marine, Inc., 805 F.2d 599, 603 (5th Cir. 1986).....7

Vaughner v. Pulito, 804 F.2d 873, 879 (5th Cir. 1986).....7

STATUTES:

F.R.C.P.

Rule 52, 28 U.S.C.A. (Pocket Supp.), pp. 1-2.....3

Rule 52(a).....3

TABLE OF AUTHORITIES (continued)

Page

Local Rule 47.5 1

Rule 28.1 1

OTHER AUTHORITIES:

5A Moore's Federal Practice, p. 52-158 ¶52.06[2] 4

9 Wright & Miller, Federal Practice and Procedure, p. 699, §2577 4

IN THE SUPREME COURT OF THE UNITED STATES
OCTOBER TERM, 1987

NATHAN A. LEVY, JR.,

Petitioner

versus

EXXON CORPORATION,

Respondent

ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE FIFTH CIRCUIT

RESPONDENT'S BRIEF IN OPPOSITION

The respondent, Exxon Corporation ("Exxon"),[1] respectfully requests that this Court deny the petition for certiorari of Nathan A. Levy, Jr. ("Levy"), seeking review of the Fifth Circuit's decision in this case. The opinion of the Fifth Circuit is not reported, that court having deemed it to be of that class of opinions, described in Local Rule 47.5, that "have no precedential value and merely decide particular cases on the basis of well-settled principles of law." See App. 1a, footnote.

STATEMENT OF THE CASE

Because Exxon does not entirely agree with the

[1] Due to its considerable length, Respondent's Rule 28.1 List is contained in Appendix B to this brief. To differentiate between the Appendix to Respondent's Brief in Opposition and that annexed to the Petition for Certiorari, citations to Petitioner's Appendix will be made by referring to such Appendix as "App." followed by the page number at which located, *viz:* "App. p. 2a"; while citations to Respondent's Appendix will be made by referring to such Appendix as "R. App. p. 2r". Thus, the Rule 28.1 List (Appendix B hereto) is found at R. App. pp. 14r, *et seq.*

statement of the case in petitioner's petition, it substitutes therefore the statement of facts contained in the decision of the Court of Appeals (App. pp. 2a-3a).

REASONS WHY THE WRIT SHOULD BE DENIED

1. Levy makes a belated claim that the decision of the Court of Appeals herein is in conflict with decisions of this Court. Although Levy applied for a rehearing of the Court of Appeals' decision, he made no mention there of this now discovered alleged conflict.[2] Failure to raise the issue below is alone sufficient cause for denial of certiorari. *Cf. E.E.O.C. v. Federal Labor Relations Authority*, 476 U.S. ____, 106 S.Ct. 1678, 1681, 90 L.Ed.2d 19, 24 (1986) ("Our normal practice...is to refrain from addressing issues not raised in the Court of Appeals."); *Delta Air Lines, Inc. v. August*, 450 U.S. 346, 362 (1981).

2. The alleged conflict arises because the Court of Appeals chose to rest its decision on a ground assertedly different from that of the District Court; that is, that Levy's "wound" was self-inflicted, resulting in his having no right to recover from Exxon, whether or not Exxon had failed to give him an additional notice under the terms of the operating agreement. Specifically the Court of Appeals held:

> "It becomes clear that any failure by Exxon to give additional notice under Article 18.1 of intent or desire to abandon did not cause Levy to lose the opportunity to take over Exxon's interest and to rework the well to restore production. *It was Levy's own failure to act*, once he had been notified of the ceased production, that permitted

---

[2] For the Court's convenience, there is attached hereto, as Appendix A, Levy's Application for Rehearing to the Court of Appeals.

> Exxon's leases to expire. Of course, lease expiration then foreclosed any reworking to restore production." (App. p. 6a.) (Emphasis added.) (Footnote omitted)

In making this determination, the Court said:

> "Our holding may be understood to rest on a determination of causation, which is normally a finding of fact. If so, we expressly conclude that a remand to the district court for factfinding on this issue is unnecessary.
>
> See *Armstrong v. Collier*, 536 F.2d 72, 77 (5th Cir. 1976); see also *Robinson v. National Cash Register Co.*, 808 F.2d 1119, 1122 n.4 (5th Cir. 1987)." (App. p. 6a.)

Levy perceives this to be a violation of Rule 52(a), F.R.C.P., because he misunderstands the purpose of the 1985 amendment to Rule 52(a). As the Advisory Committee's Notes clearly disclose (Rule 52, F.R.C.P., 28 U.S.C.A. (Pocket Supp.), pp. 1-2), the purpose of the amendment was to discourage "appellate retrial of some factual issues" not to prohibit the Court of Appeals, in a proper case, from drawing a conclusion not made by the lower court from facts found by the lower court.

It is clear that a Court of Appeals may decide a case on a ground different from that on which a lower court based its decision so long as the issue was properly raised below.[3] *J. E. Riley Inv. Co. v. C.I.R.*, 311 U.S. 55, 59 (1940); *Bickford v. International Speedway Corp.*, 654 F.2d 1028, 1030 (5th Cir. 1981); *Southern Natural Gas Co. v. Pontchartrain Materials Inc.*, 711 F.2d 1251, 1257 (5th Cir. 1983), reh. den. 720 F.2d 1291. It is equally clear, as stated in 9

---

[3] See App. 6a, footnote 2.

Wright & Miller, *Federal Practice and Procedure, p. 699,* §2577:

> "Although the appellate court, as has been seen, may remand for findings, it is settled that findings are not jurisdictional and the appellate court may decide the appeal without further findings if it feels that it is in a position to do so. The appellate court will determine the appeal without more if the record sufficiently informs it of the basis of decision of the material issues, or if the only contentions raised on appeal do not turn on findings of fact. A remand has been thought unnecessary if all the evidence is documentary or if the facts are undisputed.[4]

See, also, 5A *Moore's Federal Practice,* p. 52-158 ¶52.06[2].

Moreover, the District Court here had made the findings of fact necessary to support the conclusion drawn by the Court of Appeals; *viz:*

> "Plaintiff has admitted that he received and that he read the ...letter. That letter gave clear notice of the cessation of production in compliance with...the operating agreement. It also had the effect of notifying Mr. Levy that his

---

[4] Levy's Reply Brief to the Fifth Circuit, served February 2, 1987, states (p. 1, under the heading: "Standard of Review"):

> "Plaintiff has no argument with the law as stated by the defendant. [Exxon had cited *Bessemer City (infra* p. 7) as authority for the standard of review to be used by the appellate court.] However, the District Court's decision is not based on findings of fact since *there is no contest about the facts.* The contest has to do with the interpretation of the meaning of phrases and words contained in a written Operating Agreement. The District Court's decision was based upon conclusions of law with respect to these facts...." (Emphasis added.)

rights...would expire ninety days from date of cessation.... At that point Mr. Levy knew or should have known that he could propose a reworking or a recompletion of the well, but that he had to do that in writing pursuant to Article 10.1 of the operating agreement. *Instead, for whatever reason, he chose not to do that.*"(App. pp. 18a-19a.) (Emphasis added)

The District Court went on:

"Now, plaintiff has presented witnesses who have testified that sidetracking the well would have been feasible, though it's far from certain, considering the cost and the risk involved, that it would have been successful. Nevertheless, it was incumbent on the plaintiff under Article 10.1 of the operating agreement to make such a proposal after he received notice of cessation, and he didn't do that." (App. p. 19a.)

The District Court concluded:

"In summary, then we have a case in which the plaintiff simply didn't comply with the terms of the operating agreement, did not make the written request for additional information. He was given written notice of the cessation of operations from the Williams No. 1 Well. Exxon did not notify him that it proposed to rework or recomplete the well, and the plaintiff, despite being on notice, did not propose any remedial work on the well within ninety days of cessation of production as required by the operating agreement.

Accordingly, the defendant's motion for involuntary dismisal pursuant to Rule 41(b) of the Federal Rules of Civil Procedure is granted." (App. pp. 19a-20a.)

The Court of Appeals agreed with these findings, but drew from them a broader conclusion, utilizing also some

known circumstances discernible from the face of the record. The Court said:

> *It was Levy's own failure to act,* once he had been notified of the ceased production, that permitted Exxon's leases to expire. Of course, lease expiration then foreclosed any reworking to restore production." (App. p. 6a.) (Emphasis added.)

3. There is no conflict here with *Anderson v. Bessemer City,* 470 U.S. 564 (1985), nor with *Icicle Seafoods, Inc. v. Worthington,* 475 U.S. 709 (1986). In *Bessemer City,* this Court (by way of dictum) severely criticized the practice existing in some circuits of paying no deference to findings of District Courts not based on determinations of credibility; however, its holding was that the Court of Appeals had improperly applied the "clearly erroneous" standard under the facts of that case. Even accepting the dictum as gospel, it does not apply here because the Court of Appeals made no finding at variance with any finding of the District Court.

Nor can there be any conflict in fact or in principle with *Icicle Seafoods,* There, the Court of Appeals, believing that the District Court had misunderstood the legal standards under which it was required to decide the case, embarked on a *de novo* fact finding, which went beyond the intention of Rule 52(a) or the teaching of *Bessemer City.* Here, the Court of Appeals made no *de novo* review nor extensive findings of fact. Indeed, all that the Court did here was to make a conclusory finding of causation, which could have been made by the lower court, based upon facts which the District Court had already found.

4. The petition (p. 11) claims that the Fifth Circuit is "developing a line of authority" in conflict with amended Rule 52(a) and *Bessemer City,* which argument is the only point made concerning the importance of the instant case

for exercise of this Court's discretionary writ. Yet it cites no other case *subsequent* to the adoption of the revised Rule or the rendition of *Bessemer City* in which the Fifth Circuit is supposed to have fallen from grace. Indeed, to the contrary, it seems that the Fifth Circuit has given a full measure of respect to both Rule and decision. See e.g., *Exchange Oil & Gas Corp. v. Great American Exploration Corp.*, 789 F.2d 1161, 1163 (5th Cir. 1986); *Vaughner v. Pulito*, 805 F.2d 873, 879 (5th Cir. 1986); *Stipelcovich v. Sand Dollar Marine, Inc.*, 805 F.2d 599, 603 (5th Cir. 1986); *Brock v. Mr. W Fireworks, Inc.* 814 F.2d 1042, 1044 (5th Cir. 1987), cert. den. ____U.S.____, 108 S.Ct. 286; and *Brock v. El Paso Natural Gas Co.*, 826 F.2d 369, 372 (5th Cir. 1987).

5. Levy complains of the method used by the Court of Appeals to reach the result herein, but nowhere does he show that the end *result* was "wrong." He asks this Court to order the Court of Appeals to remand the case to the District Court so that that court could perform the ministerial task of making a conclusion of causation, which is logically inescapable from the findings already made--a practice hardly in keeping with the concern of *Bessemer City* as to judicial economy. (See 470 U.S. at pp. 574-575.)

CONCLUSION

It is respectfully submitted that the petition for a writ of certiorari should be denied.

E. BURT HARRIS
P. O. Box 60626
New Orleans, LA 70160
Telephone: (504) 561-3274

OF COUNSEL:

MILLING, BENSON,
WOODWARD, HILLYER,
PIERSON & MILLER

H. H. HILLYER, JR.
JOHN C. CHRISTIAN,
Counsel of Record
H. H. HILLYER, III
M. TAYLOR DARDEN
Suite 2300
909 Poydras Street
New Orleans, LA 70112-1017
Telephone: (504) 569-7000

Counsel for Respondent

APPENDIX A

UNITED STATES COURT OF APPEALS

FOR THE FIFTH CIRCUIT

* * *

CIVIL ACTION NO. 86-3503

* * * *

NATHAN A. LEVY, JR.
Plaintiff-Appellant

versus

EXXON CORPORATION
Defendant-Appellee

* * * * * *

APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF LOUISIANA

* * * * * *

HONORABLE MORY L. SEAR
DISTRICT COURT JUDGE

* * * * * *

APPLICATION FOR REHEARING

* * * * * *

Petitioner, Nathan A. Levy, Jr., respectfully requests rehearing of this matter.

ISSUE

Levy excepts to the Court's ruling that his failure to propose reworking operations caused the Exxon leases to expire.

ARGUMENT

EXXON WAS OBLIGATED TO PROVIDE LEVY FIFTEEN (15) DAYS NOTICE BEFORE EXXON'S LEASES EXPIRED

Article 19 of the Operating Agreement addresses release of leases:

> 19.1 RELEASE. The leases set forth in Exhibit A shall not be released in whole or in part as to lands within the Unit Area without mutual consent of the parties hereto. If any party at any time desires to so release, it shall give notice to the other party hereto. The party notified shall have the option, for fifteen (15) days thereafter, to receive upon demand an assignment (unless an assignment is prohibited by such lease), without warranty of title, express or implied, of the Operating Rights in such lease (insofar as it affects lands within the Unit Area and applies

> to the Unitized Sand) as to which such notice is given. In the event the party notified does not elect to receive such assignment, the lease as to which such notice is given may be released. ...

This Court's opinion makes no mention of Article 19 whatsoever.

The decision states, in part: "[U]nder Article 10.1, it was incumbent upon Levy . . . to propose and commence a reworking within ninety days of cessation of production in order to prevent the expiration of Exxon's leases." (p. 7, para. 2). The Court's determination of causation ignores each party's duty to protect its leases for the benefit of the other party under Article 19.1. Levy was not required to propose reworking operations under Article 10 to notify Exxon that Levy wished to invoke his rights under Articles 18.1 (abandonment). Article 19 puts the burden of notice on the party who owns the leases affected - Exxon's leases expired, not Levy's.

Levy was entitled to rework the well under the provisions of

Article 18.1 without first proposing reworking operations under Article 10. Article 19 is the cornerstone to Levy's Article 18.1 (abandonment) rights in the well, not Article 10.1 (reworking) as the Court has held. Article 19 requires notice followed by a fifteen (15) day option to demand assignment of the leases before they expire to insure that the right to take over the well under Article 18.1 can be exercised. Article 19 becomes operative precisely when reworking operations are not commenced under Article 10.1 so that reworking can be commenced under Article 18.1 before the leases expire.

LEVY HAD NO DUTY TO PROPOSE REWORKING OPERATIONS UNDER ARTICLE 10.1 TO INVOKE HIS RIGHTS UNDER ARTICLES 18.1 AND 19.1

The court holds that Levy's rights under Article 18.1 never became operative under the facts of the case because Levy's failure to propose reworking operations under Article 10.1 caused Exxon's leases to expire. This completely overlooks Article 18.2,

which provides that the only time a party is required to commence reworking operations under Article 10.1 or forfeit his Article 18.1 rights in the well is when the well site owner (Exxon) proposes to plug back or deepen the well in an effort to recomplete in a non-unitized sand.

> [P]rovided, however, any party hereto which owns an interest in the land on which the Unit Well is located (hereinafter referred to as well site owner, whether one or more) may notify all other parties hereto in writing that it desires to plug back or deepen such well in an effort to recomplete it in a sand other than the Unitized Sand and the date by which operations must be commenced to maintain its Operating Rights in such land. All otner parties hereto shall thereupon be deemed to be willing to relinquish control of such well to well site owner unless operations are subsequently proposed on such well as to the Unitized Sand by one or more of such parties under the provisions of Article 10 (regarding non-consent operations), and, in such event, the notice of such proposal must be given, the replies thereto must be received and such operations

> must actually be commenced by the dates specified in such Article 10... . (Article 18.2)

Although Exxon considered recompleting uphole in the non-unitized "W" sand, it never elected to exercise this right. Levy therefore had no duty to propose reworking under Article 10.

> "On March 28, 1984, the Reservoir Engineer made the following notation on a Problem Well Report: 'There is one marginal recomplete uphole. The geologist is currently re-evaluating his maps. Depending on what the geologist comes up with, will either try a recomplete or give up the acreage that the Williams No. 1 is holding.' The Problem Well Report was approved by Exxon's District Reservoir Engineer." (PTO - Uncontested Facts #21)

Exxon's March 16, 1984 letter to Levy stated that production had ceased and that the well was being analyzed for remedial possibilities. Levy could not rely on Exxon coming forward with a reworking proposal after concluding its analysis. Levy negotiated a proposal from Steven S. McGuire of Traillour Oil Company to

rework, and assume the obligation of plugging and abandoning the well in exchange for a participating interest in the event Levy obtained the rights to the well and necessary leases from Exxon (Tr. 196-202), limited testimony; Offer of Proof, excluded testimony). Levy could exercise his rights under Articles 18.1 and 19.1 should Exxon decide not to rework the unitized sand and not to recomplete in the non-unitized "W" sand. Levy had no duty to propose non-consent operations under Article 10.1 unless and until Exxon invoked Article 18.2 by electing to recomplete the well in the non-unitized sand, while under Article 19, Levy had no right to demand assignment of the leases until he received the fifteen (15) day notice from Exxon of its intent to release. The Operating Agreement does not impose on Levy the burden of reminding Exxon not to forget to give him this notice.

Article 10.1 contains a provision limiting liability for loss of

lease interest resulting from delay in conducting reworking operations:

> If operations are necessary at an early date to maintain any interest covered hereby, the owner shall notify Operator. Bona fide efforts shall be made to maintain such interest but no party hereto shall incur any liability to any other party hereto if such interest is lost by failure to conduct operations in time to prevent such loss. ...

Notice is required under this provision. Only loss resulting from delay in conducting operations relieves a party from liability, not loss resulting from failure to give notice that the leases are in jeopardy. Furthermore, the provision is not applicable because Levy's claim is for breach of Article 19, not for failure to timely commence reworking operations under Article 10.

Two matters should be brought to the Court's attention. First, Article 19 provides that the notified party has the option to demand assignment "unless an assignment is

prohibited by such lease." The Williams lease does not prohibit assignment. (Ex. D-35 and D-35a)[1] The record contains no evidence that Exxon ever attempted to obtain Williams' consent to assign the leases to Levy. Under the Williams lease Exxon would remain the principal obligor unless Williams consented to the assignment.

Secondly, Article 19 employs the term "release" to mean termination of a party's rights in the lease. Passively allowing the leases to expire constitutes a release under

---

1 Article 10 of the Williams Lease (Ex. D-35) provides assignment of the lease will not be made without lessor's prior consent. Ex. D-35a is a letter agreement between Exxon and Williams, Inc. amending the first sentence of Article 10 by adding "which shall not be unreasonably withheld."

Article 19.[2] Louisiana Law (LSAR.S. 31:206) requires a lessee to file an acknowledgment of release with the registry of the parish in which the land is located. It is manifest that Article 19.1 is designed to give the parties the opportunity to take over and further develop the lease in question. Exxon breached Article 19 no less than fifteen (15) days before the lease expired and not by instrument filed by Exxon into the public records on Jyne 25, 1984. "Release" under Article 19 means termination of legal rights in the lease not the evidencing document.

> "A provision susceptible of different meaning must be interpreted with a meaning that renders it effective and not one that renders it ineffective." (LSA-C.C. Art. 2049)

---

2 See: Jones v. Whittington 171 So.2d 764, 768 (La. App. 1965), writ denied, 172 So.2d 703, for a concise discussion on "passive breach" of contract i.e. obligor cannot defeat the rights of obligee by failing to act before the leases expire.

As to Exxon's intent to release the acreage, the problem well report of March 28, 1984 states:

> Depending on what the geologist comes up with, will either try a recomplete or give up the acreage that the Williams No. 1 is holding. (PTO - Uncontested Fact #21, supra, p. 4)

Once Exxon decided not to recomplete the well, it sat passively by while the leases expired:

> Additionally, Exxon's reservoir engineering department was formulating a proposal to recomplete the Williams No. 1 Well in another sand, the "W" Sand. The proposal was disapproved on or about May 18, 1984. (PTO - Defendant's Statement of Material Fact, p. 11)

Exxon knew the leases were due to expire on May 30, 1984:

> The Williams #1 well was shut-in on February 29, 1984, due to declining gas production. All leases within the Unit Y RD SUA (701±ac.) are subject to a 90-day savings clause as described in my letters of August 10 and October 4, 1983. The critical date is May 30, 1984. The Harvey District has been unable to promote a farmout of the

> acreage, and plans no further action to maintain these leases. ... (PTO - Ex. P-16, Internal Correspondence dated March 22, 1984)

CONCLUSION

This not a case of the chicken and the egg. Levy was not required to propose reworking under Article 10 to invoke his rights under Articles 18 and 19. The rights under Articles 18 and 19 provide an independent economic alternative to feasibly and fully develop the valuable interests in question, just as Articles 10 and 18.2 provide other economic alternatives. One right was more valuable than another based on the relative positions of the parties. Exxon defeated the rights valuable to Levy by failing to notify him before Exxon's leases expired.

For the above reasons, petitioner Levy respectfully requests that his Application for Rehearing be granted, that oral argument in this matter be granted, and that this Court

reverse its decision and the decision of the District Court.

Respectfully submitted,

CARMOUCHE, GRAY & HOFFMAN
A Professional Law
Corporation

By: /s/ A. J. Gray
A. J. GRAY, III
ANNA R. GRAY
P. O. BOX 2001
LAKE CHARLES, LA 70602
(318) 433-0355

COUNSEL FOR NATHAN A. LEVY, JR.
PLAINTIFF - APPELLANT

APPENDIX B

RULE 28.1 LIST

EXXON CORPORATION
Affiliates and Subsidiaries
Not Wholly-Owned*

Abu Dhabi Petroleum Company Limited
Ace Polymer Co., Ltd.
Aditivos Orinoco, C.A.
Adria-Wien Pipeline Gesellschaft mit beschrankter Haftung
Aircraft Fuel Supply B.V.
Aishin Sekiyu K. K.
Alberta Products Pipe Line Ltd.
Al-Jubail Petrochemical Company
Altona Petrochemical Company Limited
Alyeska Pipeline Service Company
Andian National Corporation, Limited
Arabian American Oil Company
Aramco Overseas Company
Aramco Services Company
Asakawa Sekiyu K.K.
Asociacion Civil "Academy La Castellana"
Atlas Supply Company
Atlas Supply Company of Canada Limited
Australian Synthetic Rubber Company Limited
Aviation Services Saudi Arabia Limited
Awaji Gas Nenryo Kabushiki Kaisha
Azuma Sekiyu K.K.

*Does not include companies with less than 5% Exxon Ownership.

BEB Erdgas und Erdol GmbH, Hannover
BT Asia Securities Limited
B.W.O.C., Inc.
Bangkok Aviation Fuel Services Limited
Banshu Ekika Gas K.K.
Bayerische Erdgasleitung G.m.b.H.
Beaverhill Resources Limited
Bel-Air Entreposage S. A.
BRIGITTA Erdgas und Erdol GmbH,
Hannover
Bryan Woodbine Gathering Inc.
Building Products of Canada Limited
Byron Creek Collieries (1983) Limited
Carlew Inc.
Carnduff Gas Limited
Cary Chemicals Inc.
Castle Peak Power Company Limited
Champlin Oil Products Limited
Changi Airport Fuel Hydrant
Installation Pte. Ltd.
Chuo Sekiyu Hanbai K.K.
Commercial Polymers Pty. Ltd.
Compagnie d'Etancheite Africaine en
Cote d'Ivoire S. A.
Compania Minera Disputada de Las Condes
S.A.
Comptoir Auxiliaire du Petrole
Comptoir Oxonnaxien des Combustibles
(C.O.C.)
Computer Centrum Groningen B.V.
DFTG Deutsche Flussigerdgas Terminal
GmbH
Daihatsyu Sekiyu K.I.
Daiichi Kouyu K.K.
Demulsificantes Del Orinoco, C.A.
Depot Petrolier du Gresivaudan
Depots de Petrole Cotiers
Depots Petrolier de la Corse
Deudan-Holding GmbH
Deutsche Erdgas Transport G.m.b.H.

Deutsche Transalpine Oelleitung G.m.b.H.
Devon Estates Limited
Dixie Pipeline Company
Dukhan Service Company
E S F Limited
Eagle Kenso K.K.
East Japan Oil Development Company, Limited
East Texas Salt Water Disposal Company
Eastcoast Spill Response Inc.
Eiko Sekiyu K.K.
Elwerath Erdgas und Erdol GmbH, Hannover
Elwerath Erdol und Erdgas AG
Emirates Chemicals Company
Emori Sekiyu K.K.
Emsland-Erdolleitung G.m.b.H.
Energie Marketing Service GmbH (EMS)
Entrepot Petrolier de l'Aveyron (E.P.A.)
Entrepot Petrolier de Mulhouse (E.P.M.)
Erdgas-Verkaufs-Gesellschaft m.b.H.
Escuela Las Morochas, C. A.
Esso Chemical Alberta Limited
Esso Energie G.I.E.
Esso Exploration and Production Angola Inc.
Esso Malaysia Berhad
Esso of Canada Limited
Esso Resources Canada Limited
Esso Societe Anonyme Francaise
Esso Standard Tunisie S. A.
Etablissements Cloarec
Exact Reisebyra A/S
Exxon Chemical Pakistan Limited
489061 Ontario Inc.
F.T. Giken Kabushiki Kaisha
Federated Pipe Lines Ltd.
Ferngas Nordbayern G.m.b.H.

Ferngas Salzgitter GmbH
Forjas de Colombia, S. A.
Fuji Kogyo K.K.
Gasunie Engineering B.V.
General Bussan K.K.
General Highway K.K.
General Petrochemical Industries Limited
General Sekiyu K. K.
General Sekiyu Okinawa Hanbai K.K.
General Sekiyu Overseas Ltd.
General Shipping Co. Ltd.
General Unyu Kabushiki Kaisha
Geobutane - Lavera
Gewerkschaft Brassert Erdol und Erdgas GmbH
Gewerkschaft Elwerath & Co. GmbH.
Gewerkschaft Erdol-Raffinerie Deurag-Nerag
Gewerkschaft Gute Hoffnung Erdgas und Erdol GmbH
Gewerkschaft Kuchenberg Erdgas under Erdol GmbH
Goroku Sekiyu K.K.
Grande Ecaille Land Company, Inc.
Groupement Immobilier Petrolier
Groupement Petrolier Aviation
Groupement Petrolier de la Cote D'Azur
Groupement Petrolier de Nantes
Groupement Petrolier du Finistere G.I.E.
Groupement pour l'Etude d'un Pipeline Bordeaux Toulouse
Hannoversche Erdolleitung G.m.b.H.
Hanshin Kyowa Sekiyu K.K.
Hayakawa Sekiyu K.K.
Heinrich Schneider Spedition GmbH
Hiroshima General Gas Juten Kabushiki Kaisha
Hoei Sekiyu K.K.

Hokushin Bussan K.K.
Hokuyu Sekiyu K.K.
Home Energy Company Ltd.
Houston Regional Monitoring Corporation
Hydranten-Betriebsgesellschaft
Hydrierwerke Poelitz Aktiengesellschaft
Imperial Oil Limited
Imperial Pipe Line Company, Limited, The
Inada Ekka Gas Kabushiki Kaisha
Industry Promotion Enterprises Limited
Interprovincial Pipe Line (Alberta) Ltd.
Interprovincial Pipe Line Limited
Interprovincial Pipe Line (NW) Ltd.
Iranian Oil Participants Limited
Iranian Oil Services (Holdings) Limited
Iranian Oil Services Limited
Iraq Petroleum Company, Limited
Iraq Petroleum Pensions, Limited
Japan Butyl Company Limited
Japan Coal Liquefaction Development Company, Ltd.
Jersey Nuclear-Avco Isotopes, Inc.
K.K. Aizu General
K.K. Daimaru
K.K. General Sekiyu Hanbaisho
K.K. Genetech
K.K. Heian Sekiyu
K.K. Kanagawa Sekiyu Shokai
K.K. Kyoel Shosha
K.K. Kyowa Sekiyu Service
K.K. Marugo Izumasa Shoten
K.K. Nippatsu
K.K. Standard Sekiyu Osaka Hatsubaisho
K.K. Toresen
K.K. Uwano Sekiyu Shokai
K/S Statfjord Transport A/S & Co.
Kabushiki Kaisha Sankyo Plastics
Kai Tak Refuellers Company Limited

Kanto Kygnus Sekiyu Hambai K.K.
Karlsruhe-Stuttgart Rohrleitung
Gesellschaft mbH
Kawasaki Kygnus Sekiyu Hambai Kabushiki
Kaisha
Keiyo Sekiyu Hanbai K.K.
Kenya Petroleum Refinieries Limited
Kibo Sekiyu Hanbai K.K.
Kimura Sekiyu Kabushiki Kaisha
Kinwa Sekiyu K.K.
Kobe Port Service Kabushiki Kaisha
Kobe Standard Sekiyu K.K.
Kowa Sekiyu K.K.
Kowloon Electricity Supply Company
Limited
Kygnus Ekka Gas Kabushiki Kaisha
Kygnus Kosan Kabushiki Kaisha
Kygnus Marketing Service K.K.
Kygnus Sekiyu K.K.
Kyushu Eagle K.K.
LPL Investments, Inc.
Lakehead Pipe Line Company, Inc.
LEAG Aktiengesellschaft fur
luzernisches Erdol
Leco Canada Inc.
Les Docks des Petroles d'Ambes
Long Beach Oil Development Company
Maasvlakte Olia Terminal N.V.
Maasvlakte Coal Terminal B.V.
Magota Sekiyu K.K.
Mainline Pipelines Limited
Maple Leaf Petroleum Limited
Maquinas de Coser y Bordar Sigma, S.A.
Marugo Gas K.K.
MEGAL FINCO
MEGAL GmbH
Meiji Sekiyu K.K.
MESBIC Financial Corporation of Houston
Metro Fuel Co. Ltd.
Mikawa Bussan K.K.

Minerals Limited
Mittelrheinische Erdgas Transport
Gesellschaft mit beschrankter Haftung
Montreal Pipe Line Limited/Les
Pipe-Lines Montreal Limitee
Mytex Polymers Incorporated
NAM - K 7 B.V.
NAM - K 14 B.V.
NAM - K 15 B.V.
NAM/CLOMS - K 8/K 11 B.V.
NAM/CLOMS - L 13 B.V.
N. V. Nederlandse Gasunie
NPC Services, Inc.
Nakabayashi Sekiyu K.K.
Nansei Oil Terminal K.K.
Nansei Sekiyu Kabushiki Kaisha
Native Venture Capital Co. Ltd.
Near East Development Corporation
Nederlandse Aardolie Maatschappij B. V.
Neptune Bulk Terminals (Canada) Ltd.
Nichimo Oil (Bermuda) Co., Ltd.
Nichimo Sekiyu Seisei Kabushiki Kaisha
Nikko Sangyo K.K.
Nippon Unicar K.K.
Nisku Products Pipe Line Company
Limited
Nissei Sekiyu Kabushiki Kaisha
Norddeutsche Erdgas-Aufbereitungs
G.m.b.H.
Norddeutsche Mineraloelwerke Stettin
G.m.b.H.
Norddeutsche Oelleitungs-gesellschaft
m.b.H.
Nordrheinische Erdgas Transport
Gesellschaft mit beschrankter Haftung
Nord-West Oelleitung G.m.b.H.
Northward Developments Ltd.
Northwest Company, Limited
Nottingham Gas Limited
107580 Canada Inc.

139675 Canada Limited
151742 Canada Inc.
Office Prive d'Assurances et de Courtages
Offshore Medical Support Limited
Oil Field Chemicals Company (Saudi Arabia) Ltd.
Oil Service Company of Iran (Private Company)
Oil Spill Response Limited
Oil Transport Company (Saudi Arabi) Limited
Oldenburgische Erdol Gesellschaft m.b.H.
Osaka Ashyu Nenryou K.K.
Osaka Propane Gas Hambai Kabushiki Kaisha
Osaka Sekiyu Gas Yuso K.K.
P. T. Stanvac Indonesia
Pars Investment Corporation
Peninsula Electric Power Company Limited
Petroleum Refineries (Australia) Proprietary Limited
Petroleum Services (Middle East) Limited
Petrosvibri S.A.
Pinpoint Retail Systems Inc.
Pipe Line Services, Inc.
Plantation Pipe Line Company
Folder-Seehafen-Harburg GmbH
Portland Pipe Line Corporation
Primaer Oel GmbH
Progas A/S
Raffinerie du Midi S.A.R.L.
Rainbow Pipe Line Company, Ltd.
Redwater Water Disposal Company Limited
Refineria Petrolera Acajutla, S.A.
Renown Building Materials Limited

Rheingas Erdgasleitungs-Gesellschaft m.b.H.
Rochevert Inc.
Rotterdam Antwerpen Pijpleiding (Belgie)
Rotterdam-Antwerpen Pijpleiding (Nederland) N. V.
Ruhrgas Aktiengellschaft
S.A. du Pipeline a Produits Petroliers sur Territoire Genevois (SAPPRO)
SEAG Aktiengelellschaft fur schweizerisches Erdol
S.O.P. - Societa Oleodotti Padani S. p. A.
Saitama Sekiyu Hanbai K.K.
Sakurajima Futo K.K.
Sanko Oil Kabushiki Kaisha
Sanyo Sekiyu K.K.
Saraco S. A.
Saudi Arabian Lube Additives Company Limited
Schubert KG
Scurry-Rainbow Oil Limited
Seibu Kygnus Sekiyu Hambai Kabushiki Kaisha
Seismic Industries A/S
Senpoku Oil Service K.K.
SERAM Societa per Azioni
Servacar Ltd.
Shehtah Drilling Limited
Shimoka Sekiyu Kabushiki Kaisha
Shimoyama Sekiyu K.K.
Shin-Nihon Yukagaku Kogyo K.K.
Shinohara Oil K.K.
Shizuoka Kanesho Hambai Kabushiki Kaisha
Smiley Gas Conservation Limited
Sociedad Anonima "Escuela Campo Alegre"
Sociedad de Inversiones de Aviacion
Sociedad Nacional de Oleoductos Ltda.

Societa Italiana per l'Oleodotto Transalpino S.p.A.
Societa per Azioni Raffineria Padana Olii Minerali-SARPOM
Societe Anonyme de la Raffinerie des Antilles
Societe Anonyme des Hydrocarbures
Societe Anonyme "Produits Lubrifiants de Madagascar" - PROLUMA S.A.
Societe Belge de Transport par Pipe-line
Societe Civile de Mustapha Algerie
Societe Civile de Participation pour la Destruction des Dechets Industriels (SOCDI)
Societe Civile Immobiliere "Courcelles-Etoile"
SocieteCivile Immobiliere de la Croix au Chene
Societe Civile Immobiliere du 195 Avenue de Neuilly
Societe Civile Immobiliere Khariessa
Societe Civile Immobiliere "Kleber-Etoile"
Societe Civile Immobiliere "Les Casseaux-Bougainville"
Societe de la Raffinerie d'Alger
Societe de la Raffinerie de Lorraine
Societe de Manutention de Carburants Aviation
Societe de Manutention de Carburants Aviation Dakar-Yoff, S.A.
Societe de Promotion et du Financement Touristique (CARTHAGO)
Societe d'Entreposage de San-Pedro
societe des Pipe-Lines de Strasbourg
Societe des Transports Petroliers par Pipe Line
Societe d'Exploitation & de Development d'Operations Commerciales

Societe du Caoutchouc Butyl (SOCABU)
Societe du Pipe Line de la
Raffinerie de Lorraine
Societe du Pipe-Line Mediterranee-Rhone
Societe du Pipeline Sud-Europeen
Societe Esso de Recherches et
d'Exploitation Petrolieres Esso Rep
Societe Francaise Exxon Chemical
Societe "Geomines-Caen"
Societe Havraise de Manutention de
Produits Petroliers
Societe Hoteliere de la Petite Campagne
Societe Immobiliere Paris-Niel
Societe Ivoirienne d'Operations
Petrolieres S.A.
Societe Malgache de Raffinage
Societe Reunionnaise d'Entreposage
Socony-Standard-Vacuum Oil Company
(Petroleum Maatschappij)
Southern Natural Gas Development Pty.
Ltd.
Standard Kosan Kabushiki Kaisha
Standard Service K.K.
Statfjord Transport A/S
Stockage Geologique de Gas de Lavera
Suddeutsche Erdgas Transport
Gesellschaft mit beschrankter Haftung
Sun East Company Ltd.
Supertex, Inc.
Sydis, Inc.
Syncrude Canada Ltd.
Synergistics Industries Limited
System Plaza Kabushiki Kaisha
305120 Alberta Ltd.
TAR-Tankanlage Rumlang AG
TBN Tanklager-Betriebsgesellschaft
Nurnberg mbH
Taglu Enterprises Ltd.
Taihei Bussan K.K.
Taiko Sekiyu K.K.

Taisei Kogyo Sekiyu Hanbai K.K.
Takahama Kosan Kabushiki Kaisha
Taketsuru Yugyo K.K.
Tanaka Sekiyu Hanbai K.K.
Tankanlage A. G., Mellingen
Tanklager Altishausen A. G.
Tanklager Gesellschaft, Koln
Tanklager-Gesellschaft Tegel
Tanklager Lechelles I S.A
Tanklager Taegerschen AG
Tecnica Quimica Petrolera. S.A. de C.V.
Tecumseh Gas Storage Limited
THUMS Long Beach Company
Thyssengas G.m.b.H.
TIBA Speditions GmbH
Toa Nenryo Kogyo Kabushiki Kaisha
Tohko Plastics Company, Limited
Tohpren Co. Ltd.
Toko Sekiyu K.K.
Tonen Energy International Corp.
Tonen Maintenance K.K.
Tonen Sekiyukagaku Kabushiki Kaisha
Tonen Tanker Kabushiki Kaisha
Tonen Technology K. K.
Towa Compounding Co. Ltd.
Towa Sekiyu K.K.
Toyoshina Film Company, Ltd.
Trans-Arabian Pipe Line Company
Transalpine Oelleitung in Oesterreich
  Gesselschaft m.b.H.
Transgaz Lavera
Tsurumaru Unyu K.K.
Turkish Petroleum Company, Limited
UBAG - Unterflurbetankungsanlage
  Flughafen Zurich
Van Salt Water Disposal Company
W.A.G. Pipeline Proprietary Limited
Wako Jushi Kabushiki Kaisha
Wako Kasei Kabushiki Kaisha
Wartempomp Nederland B.V.

Westdeutsche Erdolleitungs-G.m.b.H.
Westgas G.m.b.H.
Westgastransport B.V.
Winnipeg Pipe Line Company Limited
Wohnungsbaugesellschaft, Steimbke-
  Rodewald G.m.b.H.
Worex et Cie
Yasaka Sekiyu K.K.
Yellowstone Pipe Line Company
Yoshiki Sekiyu Kabushiki Kaisha
Yoshimi Gas Kabushiki Kaisha
Yuai Sekiyu K.K.
Yugan Kaisha Nishi Kobe Bosai Center